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ceocfointerviews.com
Issue: February 24, 2014



Affordable Facial Recognition Software System



Joe Rosenkrantz - CEO

FaceFirst is an affordable facial recognition software system that uses the world's most highly developed facial recognition technology. It is the only turnkey facial recognition service available today. Other facial recognition systems are completely dependent on automated systems set at fixed parameters. FaceFirst incorporates an optional human interface to significantly enhance accuracy. The human interface helps prevent confrontations of innocent individuals or letting lawbreakers go undetected.

Since 2005, extraordinary advances in 2D algorithms have delivered huge improvements over early facial recognition technology. The difference is dramatic. It's like comparing a computer manufactured in 1990 to today's high-speed models. FaceFirst pushes the current standard to the highest level. Our technology is the gold standard of accuracy and, unlike other facial recognition solutions, is capable of operating in a distributed environment consisting of 1000s of locations simultaneously.

Interview conducted by: Lynn Fosse, Senior Editor, CEOCFO Magazine

CEOCFO: Mr. Rosenkrantz, what is FaceFirst?

Mr. Rosenkrantz: FaceFirst is a biometric platform that allows us to deliver world-class facial recognition algorithms as a commodity service. Although facial recognition has been under development since the early 1990s, it was not until 2006 that facial recognition achieved the accuracy of human recognition. At that time we came into the market with the ambition of building a product that would allow facial recognition to be deployed on a planetary scale, meaning tens of thousands of cameras and millions of records could be managed by the FaceFirst system.

CEOCFO: How does your system work?

Mr. Rosenkrantz: The system is able to provide facial recognition capability using either mobile devices or fixed surveillance cameras that can be mounted throughout facilities like stores or transportation hubs. When people pass by one of the surveillance cameras, FaceFirst tracks every single face on every frame of video scanning for evidence to be compared against a watch list, which is a database of people that you are looking for. In the case of a retailer, you may have a watch list of people that have previously shoplifted. As you walk into one of those retail stores our system will compare you against that database. If your photograph matches somebody in the database, the system automatically alerts personnel closest to where you have just appeared. If you have walked into a particular store in Kansas for instance and you were enrolled into the system into a different state, it is only going to alert the people that need to know you are there and not the people in other states.

CEOCFO: How is the comparison done; what is the technology?

Mr. Rosenkrantz: The technology is based on machine vision which is a branch of computer science developed to recognize differences in objects. Originally in manufacturing if you were producing many thousands of toothbrushes per minute, a system would photograph them as they went by on a conveyer system and look for pieces of plastic that were out of specification. That same technology over the years was trained to recognize differences in human faces so a grid is actually drawn over the face which represents over sixteen thousand points that are analyzed for contours like on a topographical map to determine a similarity score between an evidence image captured as somebody walked by a camera and the image that is stored in the database.

CEOCFO: Who is using your service?

Mr. Rosenkrantz: From the standpoint of fixed cameras we have Fortune-100 retailers. Including both domestic and international, we have historical landmarks and commercial buildings as well as airports, bus terminals. From the standpoint of mobile units we actually have 71 law enforcement agencies using FaceFirst on Android smartphones and

tablets. They are able to take a picture with their mobile device of somebody they want to identify from up to twelve feet away, and send the image to their secure data center where our system compares the face against their database of millions of booking photos. Within a few seconds, the officer in the field receives a list of possible matches with booking data and field notes, so they can determine if the person is wanted or has been previously arrested.

CEOCFO: *When you are speaking with potential customers do they believe it will work or do you encounter skepticism?*

Mr. Rosenkrantz: Nearly 100% of the time we have to prove that the system works, so our sales cycle usually includes a pilot where we install a small system for the customer that they can use to test the system for thirty days. Once they understand that the system works, they start dreaming about the uses. Depending on the type of customer, they may have originally come to us thinking they were going to identify criminals but later came to realize that they can also use it to recognize executives or VIPs.

CEOCFO: *What is the competitive landscape?*

Mr. Rosenkrantz: The industry has historically been made up of companies offering facial recognition for forensic or identification purposes -- "forensic" meaning law enforcement comparison of faces against databases to try to identify perpetrators of crimes off of latent video images and "identification" like how governments have been using facial recognition systems for the past ten years for data deduplication of passport systems and drivers license systems to make sure that they do not have duplicate photos or fraud. It has only been in recent times that there has been enough commodity computing power available to attempt the futuristic use of face recognition which is identification of persons in real-time on live video against a watch-list. Most of our competitors have small capabilities with regards to video surveillance facial recognition where we have the ability to scale our system infinitely. Our largest multisite system involves 250 locations for instance.

"Our system . . . allows our customers to be proactive and actually prevent a crime before it happens." - Joe Rosenkrantz

CEOCFO: *FaceFirst has a variety of customers in different industries. How do you focus your sales efforts?*

Mr. Rosenkrantz: When we first started the business, we attempted to sell into all different industries to see where the traction was going to be. What we came to realize was that we had strong interest in a few distinct verticals: retail, law enforcement, gaming, commercial security, and transportation. There are many marketing opportunities in other verticals, but the obvious return on investment in preventing certain types of crime for certain types of customers has helped guide us into the our target vertical markets.

CEOCFO: *What do you do to reach customers?*

Mr. Rosenkrantz: There is a tremendous pipeline of inquiries on our website due to the press that we have received in the last few years. We choose a particular vertical and we research, for example, law enforcement. We obtain a list of every chief in the country, and we contact them all directly through phone calls. We do not do any type of email canvasses or mail or print advertising. We reach out personally via telephone 99% of the time to make our contacts and our own inroads. It is time consuming, but we find that we get to the right people that way.

CEOCFO: *How do you keep up with all of the new technologies, particularly video technologies that you might need to incorporate in your offering?*

Mr. Rosenkrantz: We are heavily involved in R&D with camera and lens manufacturers. We work directly with a number of the largest players in the industry, and they have been generously providing us with information and product samples as their technology changes. This has also resulted in some custom implementations of devices to meet our needs.

CEOCFO: *What is an unusual entity that is using your system?*

Mr. Rosenkrantz: A major US historical landmark has implemented our system to work among millions of visitors.

CEOCFO: *Do you see government overall as a good potential customer or are they still not ready for this innovation?*

Mr. Rosenkrantz: We find that the government sector is a difficult sector for us as a small company and what we are lacking in that area is a partnership with a major government integrator who has the inroads to contracts. Currently it is not a focus for us.

CEOCFO: *You mentioned that you work worldwide. Do you work directly with clients or partnerships around the world?*

Mr. Rosenkrantz: Internationally we work with resellers.

CEOCFO: *Are there geographic areas that tend to have more interest than others?*

Mr. Rosenkrantz: We find a large interest in Latin America as a whole.

CEOCFO: *Is mobile a growing segment for you?*

Mr. Rosenkrantz: Yes, it is a large segment for us and it is an area where we see significant growth within state and local law enforcement as well as private security.

CEOCFO: *What is your revenue model?*

Mr. Rosenkrantz: We can adjust the revenue model between capital and operating budgets, but there is a recurring revenue stream associated with everything we sell. It is a percentage of the initial software purchase. In the case of some of our customers, we actually cloud-host the system and use an ASP model and charge monthly.

CEOCFO: *Is there much customer service needed?*

Mr. Rosenkrantz: The system is very stable and the typical problems are cameras being knocked out of focus or servers being accidentally taken offline along with having hundreds of servers throughout our customers having various problems at any given time but they are just typical PC type problems.

CEOCFO: *How is business these days?*

Mr. Rosenkrantz: Growing significantly. We have doubled our revenue since last year and we expect to do the same thing next year.

CEOCFO: *Are you adding to your team or are you able to accommodate the growth as is?*

Mr. Rosenkrantz: We are definitely adding to our team and next year we are looking to double our team.

CEOCFO: *Why should the business community take notice of FaceFirst?*

Mr. Rosenkrantz: I think that FaceFirst is just another example of how technology can be a force multiplier. What that means is you can have cameras that are able to work for you rather than a camera system being a tool for after-the-fact replay. Historically, a surveillance system is installed with hundreds of cameras around the facility, and the only thing it does for you is allow you to play back the video after the fact. Our system, on the other hand, allows our customers to be proactive and actually prevent a crime before it happens.

BIO: Joe Rosenkrantz is a successful serial entrepreneur who has brought extraordinary technical depth and business acumen to several companies he has created, built, launched, and operated. He has a track record of successfully raising capital, commercializing products, and generating financially rewarding exits. Moreover, he has particular knowledge and expertise in online security, having been one of the pioneers in this area within Southern California since the beginning of the commercial Internet in the early-1990s.



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